## Remarks

Claims 1- 4, 8-10, 18-23, 27-29, and 37-39 are pending in this application. Claims 1, 20, and 39 are the independent claims. Claims 1 and 39 have been amended and an RCE has been filed to obtain entry of these amendments. No new matter has been added. In view of the foregoing amendments, Applicants submit that this application is in condition for allowance for the following reasons.

Claims 1-4, 8-10, 18-23, 27-29, and 37-39 remain rejected under 35.U.S.C. §102(b) as being clearly anticipated by U.S. Patent No. 5,577,981 (Jarvik).

Amended independent Claims 1 and 39 now recite that rules control the action of the virtual object(s) on the basis of an objective and a relative relationship between the virtual object(s) and the real object(s), while independent Claim 20 recites the step of determining the next action of the virtual object(s) by referring to a rule memory based on a relation among the location/posture of a viewpoint of the operator, location(s) of the virtual object(s) and the geometric information of the real object(s). In contrast, the patent to Jarvik is not understood to disclose or suggest that rules control the action of the virtual object(s) on the basis of an objective and a relative relationship between the virtual object(s) and the real object(s), as recited by amended independent Claims 1 and 39 or the step of determining the next action of the virtual object(s) by referring to a rule memory based on a relation among the location/posture of a viewpoint of the operator, location(s) of the virtual object(s) and the geometric information of the real object(s), as recited by Claim 20.

The September 23, 2003 Advisory Action states that the application continues to be rejected because "see fig. 10, steps 91 and 93 at least, for "next" action comutation in Jarvik".

But, steps 91 and 93 of this patent merely state "compute the velocity, acceleration, and direction of motion that the sensed forces would impart to the virtual objects if they were real" and "compute the position, velocity, and acceleration the virtual objects would reach in finite time interval between T=0 sec and T=.03 sec". These steps are not understood to disclose or suggest that rules control the action of the virtual object(s) on the basis of an objective and a relative relationship between the virtual object(s) and the real object(s), as recited by amended independent Claims 1 and 39 or the step of determining the next action of the virtual object(s) by referring to a rule memory based on a relation among the location/posture of a viewpoint of the operator, location(s) of the virtual object(s) and the geometric information of the real object(s), as recited by Claim 20.

For these reasons, in addition to the reasons given in the August 29, 2003 Request for Reconsideration, Applicants submit that amended independent Claims 1 and 39 and independent Claim 20 are allowable over the <u>Jarvik</u> patent.

The dependent claims are patentable at least for the same reasons as the claims they depend from, as well as for the additional features they recite.

For the foregoing reasons, Applicants submit that this application is in condition for allowance. Favorable reconsideration, withdrawal of the rejection set forth in the abovementioned Office Action, and an early Notice of Allowance are requested.

Applicants' undersigned attorney may be reached in our Washington, D.C. office by telephone at (202) 530-1010. All correspondence should continue to be directed to our below-listed address.

Respectfully submitted,

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